

To Our Stakeholders



We would like to thank
our shareholders and
other investors sincerely
for their support.



TETSURO TOMITA
Chairman

YUJI FUKASAWA
President and CEO

In the year ended March 31, 2018, the Japanese economy improved in such areas as employment and income conditions and continued to recover gradually. Under these conditions, the East Japan Railway Company and its consolidated subsidiaries and equity-method affiliates (JR East) steadily executed various initiatives centered on railway operations, the life-style service business, and the IT & *Suica* business.

As a result of these initiatives, during the fiscal year under review operating revenues increased 2.4% year on year, to ¥2,950.2 billion, with operating income rising 3.2%, to ¥481.3 billion. These increases were largely due to growth in JR East's transportation revenues. In addition, as a result of a decrease in interest expense and other factors, profit attributable to owners of parent increased 4.0%, to ¥289.0 billion.

Since its establishment, the JR East Group has been rehabilitating and revitalizing railways. Thanks to the support of stakeholders, the entire Group has developed real strengths, including railway operations, the life-style service business, and the IT & *Suica* business.

Giving high priority to safety, we will continue pursuing "extreme safety levels." These efforts will further heighten trust that customers and local communities place in the Group, which is the bedrock of all its activities.

Meanwhile, population decline, the introduction of autonomous-driving applications, and other factors are changing business conditions rapidly. Aiming to anticipate change and tackle new growth strategies, we will shift from our existing approach to service provision, which is oriented around railway operations, to people-centered creation of value and services. In other words, we are committed to helping customers lead fulfilling lives.

Group Philosophy

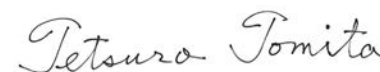
We will earn the trust of
our customers as a whole group
by aiming for ultimate safety
levels as our top priority.
We will strengthen our network
capabilities focusing on
technologies and information,
and we are committed to helping
our customers and people
in communities to realize
affluent lives.

Specifically, we will strengthen connections between our railway services and the services of other transportation providers to create a transportation network that offers customers seamless mobility. Also, we will tackle town development projects to create lifestyles that enhance the lives and work of customers. Another major goal is to use the payment and authentication functions of *Suica* for one-stop provision of a diverse menu of everyday services.

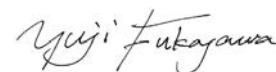
In addition, we will reform work, enhance productivity, and increase profitability by moving forward with measures for technological innovation and diversity. In conjunction with these efforts, we will focus on Groupwide personnel development through the establishment of an overseas operations business model that extends the scope of employees' work.

By continuing the above initiatives, the JR East Group intends to sustain growth and exceed the expectations of its shareholders and other investors. As we transform, we would like to ask for their continued support and understanding.

September 2018



Chairman

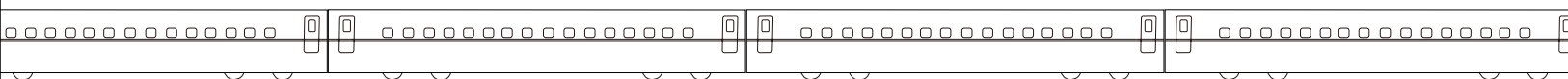


President and CEO

Interview with the President



YUJI FUKASAWA
President and CEO



Reform Now

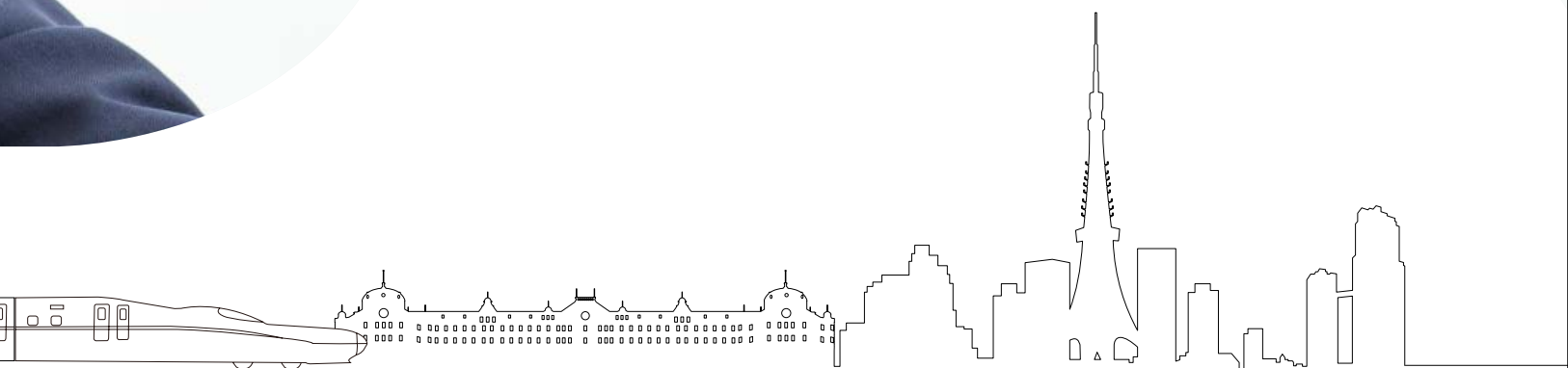
➤ JR East established the JR East Group Management Vision “Move UP” 2027 in July 2018. Could you please explain the significance of the new vision?

We prepared the “Move UP” 2027 vision with our sights set on the coming 30 years. In preparing the vision, we asked ourselves what type of corporate group we need evolve into to sustain growth during three decades in which Japan as a whole will change dramatically. Then, we considered what we need to do over the next 10 years to achieve this evolution. Through the vision, we want to emphasize that the time for reform is now, that each Group employee will lead the reform, and that our aim is to enrich the future of all stakeholders.

➤ Why does the JR East Group need to reform now?

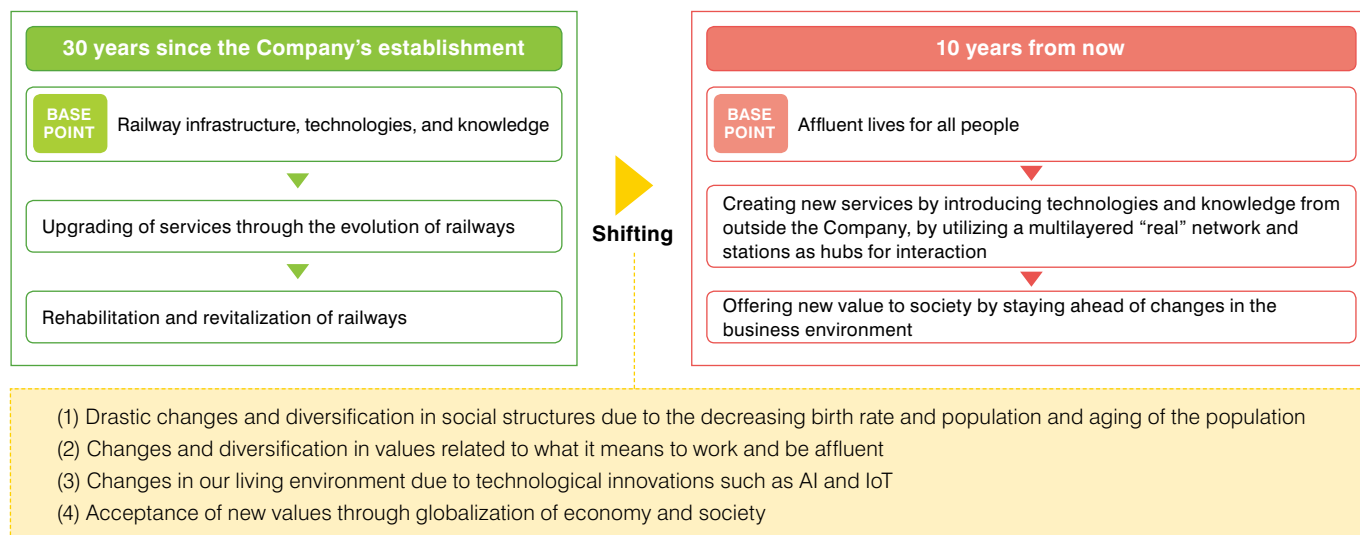
For more than 30 years, the JR East Group has advanced a railway-focused business. The Group has grown through the use of railway-related infrastructure, technology, and expertise to increase the convenience of its railway network and railway stations, thereby encouraging more customers to use them.

During the next 30 years, however, conditions will become far more challenging than they have been. There is a very strong possibility that demand for railway transportation will decrease. As well as the advent of full-fledged population decline, potential drivers of this decrease will include changes in work styles resulting from the spread of telecommuting and satellite offices, the increasing ubiquity of the Internet, and the introduction of practical applications for autonomous driving technology. Amid such emerging trends, sustaining growth based on an unchanged business model would be difficult.



Interview with the President

Given these conditions, the Group must take on reform now. We need to cultivate a shared, acute sense of crisis Groupwide and reform our value creation scenario based on the expected changes in society. Therefore, we will change over from providing services focused on railway infrastructure to providing society with new value that is focused on enriching people's daily lives. In other words, the Group will fundamentally shift its focus from railways to people.



➤ What does focusing on people mean?

All of the JR East Group's varied businesses are founded on the trust of customers and local communities. This trust stems from one thing only—safety. Accordingly, safety will remain our first priority. Through unceasing conscientious effort, the Group will pursue "extreme safety levels" and make this trust even more unshakable. Further, we will always take into account environmental, social, and governance (ESG) factors in business management, address social issues through our businesses, and contribute to the sustained development of local communities. The Group must first ensure that it is satisfying these basic requirements before taking maximum advantage of its strengths.

Our strengths are numerous railway stations and station buildings that serve as exchange hubs for people and as well as a multilayered "real" network comprising transportation services, life-style services, and IT & *Suica* services. The Group will take maximum advantage of these strengths to make daily life more convenient and reassuring and to create diverse, lively exchanges based on the Group's network. In this way, I believe that we can enrich the day-to-day lives of all people.



The important point here is not to consider things exclusively from the viewpoint of railway operations but to think carefully about what enrichment means for all people, including customers and the members of local communities as well as employees and their families. We have to think about what needs to be accomplished now and continually take action aimed at reform accordingly. Rather than always pursuing these efforts in isolation, we have to proactively incorporate the expertise, technologies, and information of research institutions, such as those belonging to universities, and other companies and combine these assets with our strengths.

Base point	Values to be created	Focus points	Major efforts for the realization of the JR East Group Philosophy		
			Making cities more comfortable P.26	Making regional areas more affluent P.28	Developing businesses for the world P.29
“Everyone” Domestic and overseas customers Employees and their families People in communities	“Affluence”	People’s daily lives P.24	Realizing seamless mobility	Revolutionizing transportation services	Establishing business models for overseas businesses
			Commercialization of new services based on data analysis, etc.	Promoting tourism	
			Making Suica a shared infrastructure	Revitalization of regional industries	
			Offering new life-styles and creating cities		
	“Trust”	Happiness of our employees and their families	Advancement of our work		
			Expanding the range of fields for career development		
			Exercising creativity closer to our customers		
		Safety P.23	Preventing global warming and diversifying energy sources		Transfer of technologies and know-how
			Contribution to regional society	ESG* management P.25	
			Service quality reform		
			Pursuing ultimate safety levels		
			Management of business risk and thorough compliance P.25		

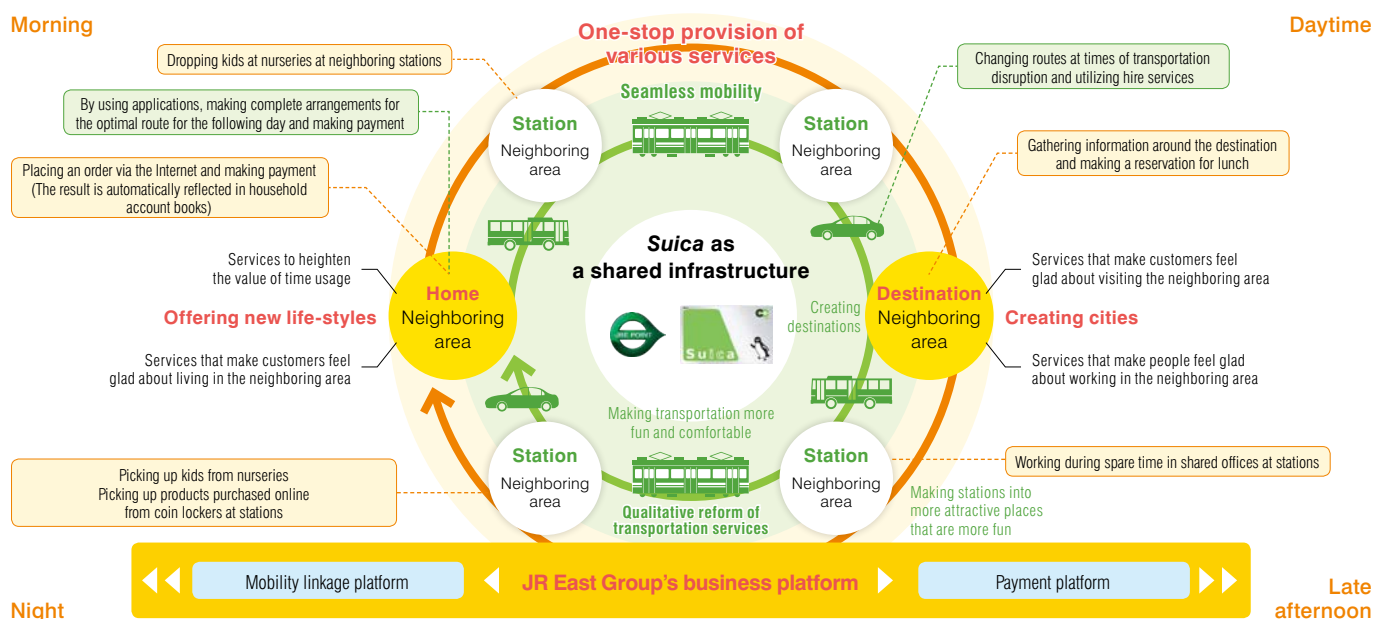
* ESG stands for environment, social, and governance, all of which are important elements for the sustainable growth of a company.

From Cities and Regions to the World

➤ “Move UP” 2027 sets out three themes: making cities more comfortable, making regional areas more affluent, and developing businesses for the world. First, would you please elaborate on the meaning of “making cities more comfortable”?

The railway network and station buildings in the Tokyo metropolitan area as well as commercial zones inside railway stations are sources of extremely large revenues and as such form the backbone of the JR East Group. The population of the Tokyo metropolitan area is continuing to trend slightly upward. Ultimately, however, population decline is unavoidable. To sustain growth amid these demographic trends, while we still have abundant management resources at our disposal, we need to begin tackling a succession of measures aimed at developing comfortable urban spaces.

Our goals should be to realize seamless mobility and create one-stop services that encompass a range of functions. With this in mind, we aim to develop an environment that allows customers to optimally combine and use transportation, purchasing, and payment services 24/7 for all kinds of daily needs. To this end, the Group has to build new business platforms in all fields, including transportation services and town development that offers new life-styles.





➤ **Could you please explain a little more about seamless mobility?**

Sure, it has two meanings. One is the elimination of the need to change trains and the shortening of travel times through such initiatives as the Haneda Airport Access Line and direct services between the Sotetsu Line and JR lines. The second meaning is the integration of primary, secondary, and tertiary modes of transportation, including railway services, buses, Bus Rapid Transit (BRT) systems, taxis, shared cars, and shared bicycles, based on the concept of Mobility as a Service (MaaS)*.

Specifically, we plan to build a “mobility linkage platform,” which will integrate the provision of travel information services and ticket purchasing and payment services from points of departure through to destinations. By realizing seamless mobility, we will reduce total travel times as well as the stress of changing modes of transportation. In this way, even as the population declines, we want to not only increase the number of people that use our railway services but also make day-to-day life more comfortable for customers and local communities.

* MaaS aims to enable seamless, optimal transportation by integrating autonomous driving technology, artificial intelligence (AI), open data, and other resources and using them in combination with sharing services and traditional modes of transportation.

➤ **With respect to making regional areas more affluent, what type of measures does the Group plan to take?**

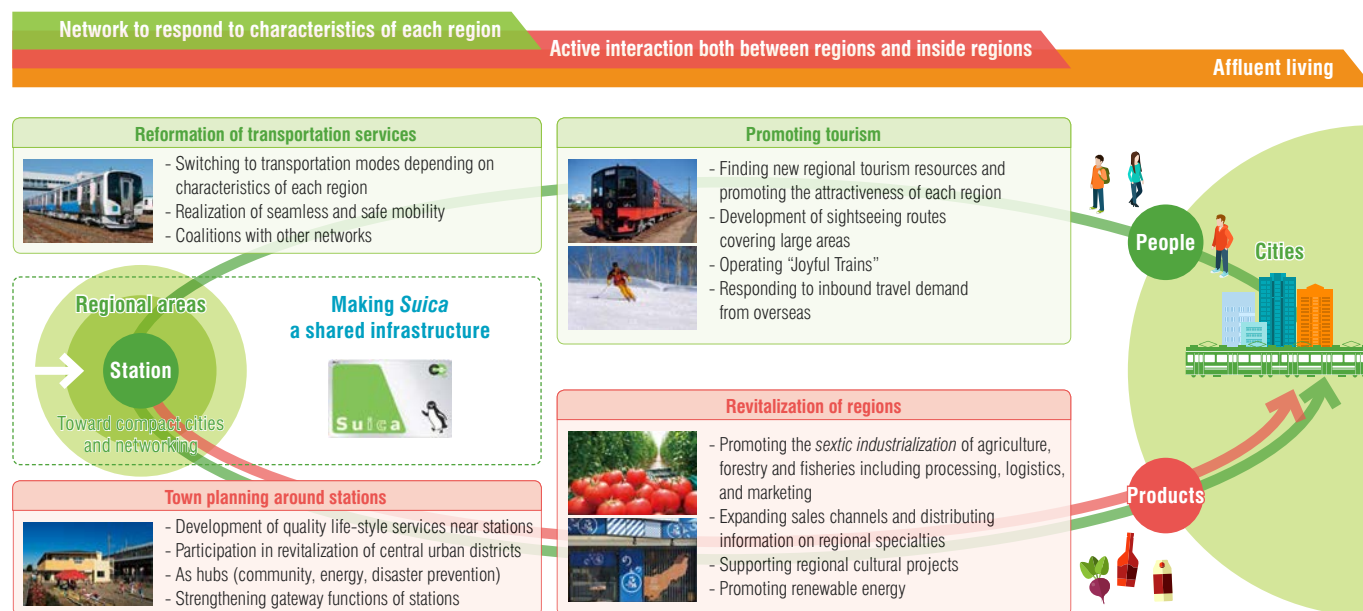
The situation in Japan's regions will become even more challenging. For example, the Tohoku region's population is likely to decrease nearly 30% by 2040. If we do not enrich regions, transportation and exchanges will decrease, and the JR East Group will not be able to sustain growth. Above all else, if we do not take steps Japan will lose the very attributes that make it appealing. We need to work in close partnership with local communities to build sustainable, highly convenient social infrastructure and create active exchanges. This is the JR East Group's mission.

I feel that the heart of the matter lies in creating exchanges of people and goods. For example, we will collaborate with local communities to conduct promotional activities that increase tourism, including domestic tourists and visitors to Japan. More specifically, the Group will collaborate with local authorities to undertake the development of towns centered on regional core railway stations in Akita, Niigata, Aomori, and other regions. The Group has to use its unique capabilities to advance regional revitalization.

Interview with the President



Further, the Group will establish a common *Suica* infrastructure not only in the Tokyo metropolitan area but also in regional areas to create an environment in which customers can connect to the Group's network anywhere and at any time of the day and access a variety of services. To realize such an environment, it will be essential to introduce *Suica* to those lines and line segments where *Suica* is still not available, strengthen coordination with the IC public transportation cards of regional transportation systems, and use innovative methods so that we can introduce *Suica* payment terminals to small regional stores. To address such issues, we are currently using cloud computing technology to develop a small, inexpensive *Suica* system. In other words, whether or not the Group can develop "compact cities" enabled by compact *Suica* infrastructure that are centered on regional core railway stations and enabled by compact *Suica* infrastructure will be decisive factors in determining whether efforts aimed at enriching regional areas succeed.



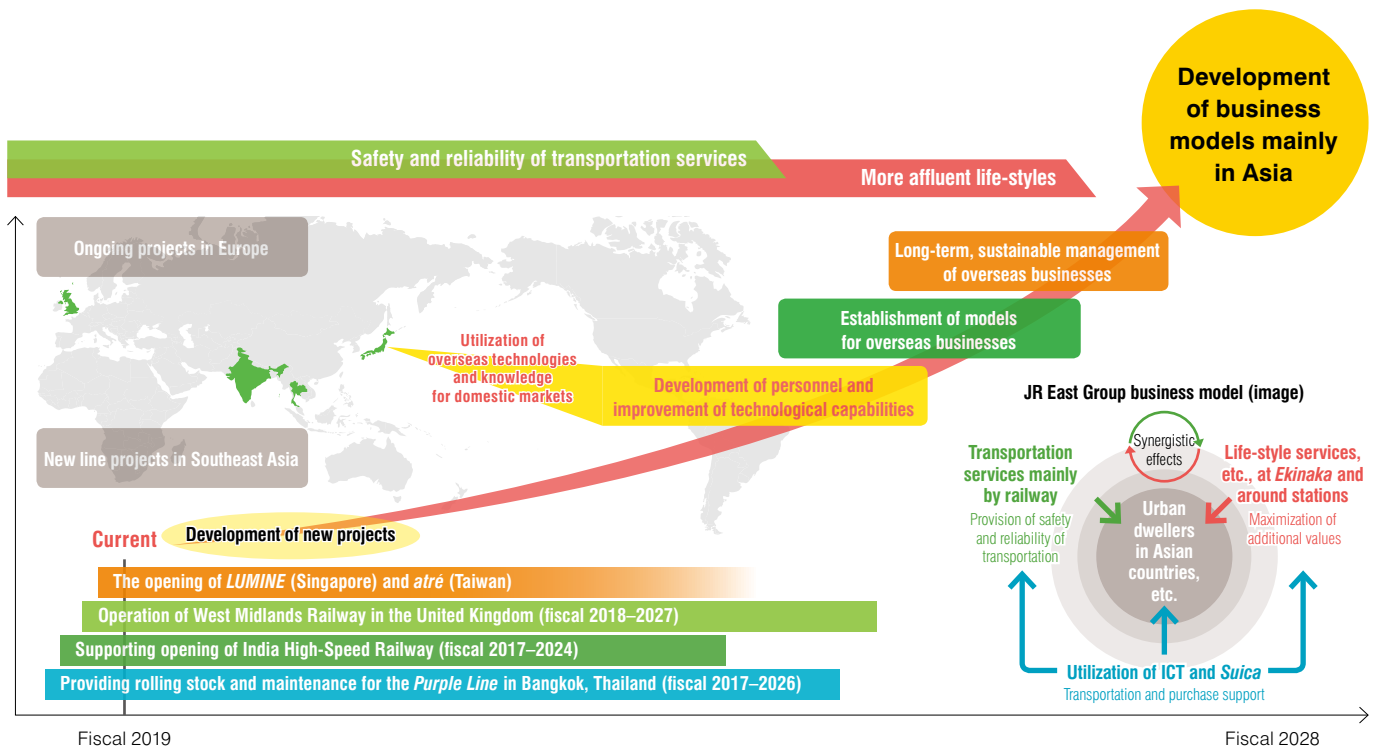
➤ **Will the Group have to rebuild regional transportation networks, including regional conventional line networks?**

As dramatic population decline leads to a sharp decrease in passengers, the number of lines that are no longer able to realize the merits of railways is expected to rise. For such lines, I think we need to build highly convenient, sustainable regional transportation networks based on thorough analysis of regional areas' needs, dialogue with local communities, and changing over to other modes of transportation, such as buses and BRT.

► What are the Group's goals with respect to developing businesses for the world?

Our aim is to establish an international business model that focuses on Asia and helps enrich daily life. We are already engaged in such projects as the provision of railcars for and the maintenance of the *Purple Line* urban railway in Bangkok and the operation of the West Midlands passenger rail franchise in the United Kingdom. At present, however, we are focusing the most effort on a high-speed railway project that is under way between Mumbai and Ahmedabad in India. More than 100 JR East Group employees are based at an office in Gurugram (formerly Gurgaon), near Delhi, and engaged in consulting operations. If all goes well, part of the construction will begin in the current fiscal year.

Taking on overseas projects extends the fields in which our employees work and develops their capabilities. At the same time, we hope to use the experience gained from overseas projects to develop businesses and services in Japan, thereby realizing further reform. Going forward, I want to step up the pace of our efforts to take on overseas projects by creating a business model that leverages the Group's comprehensive capabilities, including not only consulting and the supply of railcars but also operational and maintenance capabilities and the life-style service business.



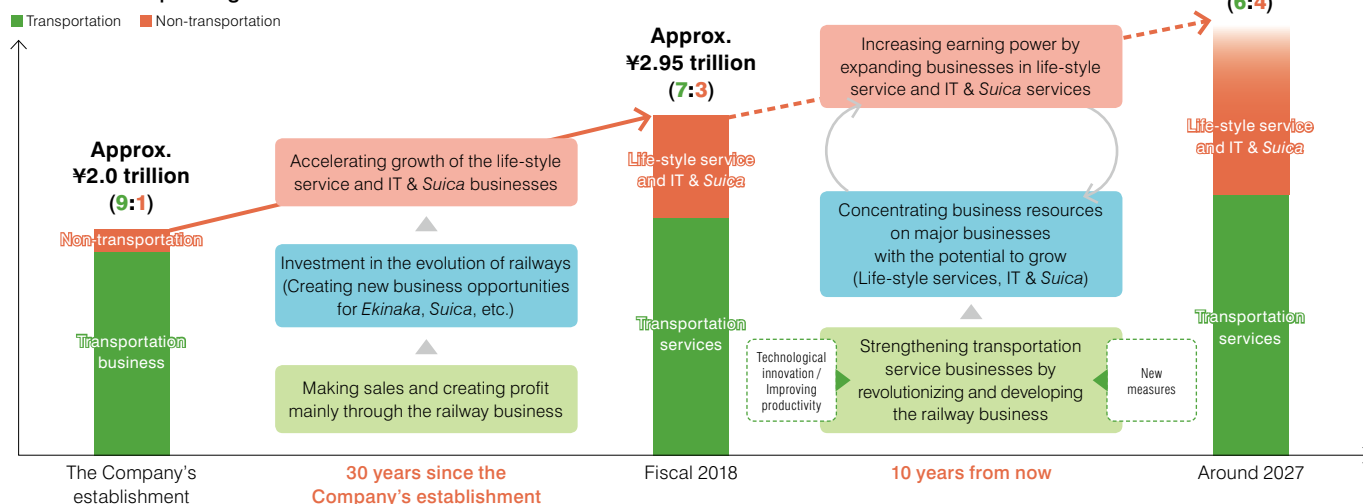
The Leading Role of Employees

➤ “Move UP” 2027 sets ambitious numerical targets. What are the main ways in which the Group will reach these targets?

With a view to taking on reform over the next 10 years, we have set numerical targets for the midway point, five years from now. The most distinctive feature of our approach will be the use of cash flows. We have earmarked approximately ¥3,750.0 billion for investment over the coming five years. We will give priority to investment needed for the continuous operation of business, including investment in safety; growth investment, such as the Shinagawa Development Project; and investment for innovation.

Through these investments we will qualitatively reform, evolve, and grow tangible and intangible aspects of our railway-centered transportation business, which is a vital foundation underpinning the trust the JR East Group has built. In addition, we will concentrate management resources on the life-style service and IT & *Suica* businesses. In 10 years' time, we will have further grown operating revenues. Moreover, we will have changed the ratio of contributions to operating revenues from the transportation business versus those from the life-style service and IT & *Suica* businesses from the current 7:3 ratio to a ratio of 6:4. We will continue aggressively pursuing initiatives to establish the life-style service and IT & *Suica* businesses as new growth engines.

Consolidated operating revenues



➤ Would it be correct to say that the Group's approach to returns to shareholders and interest-bearing debt has changed significantly?

With respect to returns to shareholders, until now we have targeted a total return ratio target of 33%. Over the medium-to-long term, however, we aim to realize a total return ratio target of 40% and a dividend payout ratio of 30%. While monitoring trends in business conditions and results, we will take measures aimed at meeting these medium-to-long-term targets.

As for interest-bearing debt, until now we have reduced debt by a certain amount each year with the aim of reducing the balance of consolidated interest-bearing debt to ¥3.0 trillion in the mid-2020s. Considering ability to repay debt, the balance of consolidated interest-bearing debt should correspond to consolidated operating revenues and profit. I believe that this approach is appropriate in the current volatile business environment.

➤ **What type of measures is the Group taking in relation to ESG management?**

Aiming to achieve the goals of "Move UP" 2027 and keeping in mind the Sustainable Development Goals (SDGs) adopted by the UN Sustainable Development Summit, we will implement ESG management to address social issues and help sustain the development of local communities through our businesses. These efforts will earn further trust from customers and local communities and enable the Group to continue growing.

Specifically, from the viewpoint of corporate governance, we will rigorously ensure all employees understand the paramount importance of safety in the Group's approach to management. Based on this shared awareness, the Group will advance concerted, practical initiatives to realize "extreme safety levels." Further, we will reflect changes in conditions by continually identifying, evaluating, and taking measures to reduce risks. In conjunction with these efforts, we will realize strict compliance through the development and implementation of measures in light of actual circumstances within the Group, which we will gauge through continual, detailed communication with employees in frontline operations.

With sound governance as a premise, we will take steps to address a range of social issues. For example, we will tirelessly reform service quality by preventing railway service delays and easing congestion. Other initiatives will include offering childcare support, catering to the needs of diverse customers, developing globally competent railway personnel, and supporting cultural activities. In addition, the railway business is targeting reductions of 25% in energy consumption and 40% in CO₂ emissions in fiscal 2031 compared with the levels of fiscal 2014. To these ends, we will introduce new energy creation and conservation technologies as part of efforts to prevent global warming. In addition, plans call for diversifying energy through the use of hydrogen energy and other energy sources.

➤ **It is said that companies are only as good as their people.**

Will implementing reform call for an all-out effort from employees?

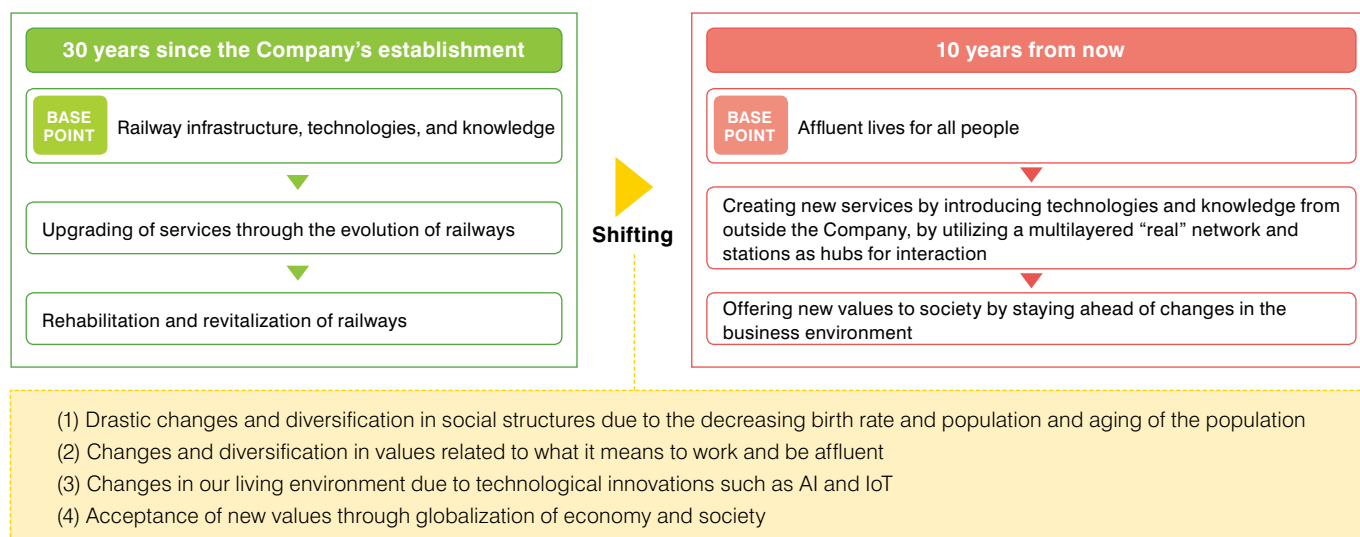
Yes, it will. To shift our focus from railways to people, employees must play a leading role. Each employee has to be reform minded and continue boldly taking on ambitious initiatives with a view to realizing a richer future. Thus, it is vital that each employee is motivated by a sense of being able to realize their ambitions through work. For this reason, I believe that in pursuing reform the senior management team's mission is to take innovative measures that expand and create opportunities for employees to do fulfilling work.

JR East Group Management Vision “Move UP” 2027

Since its establishment, the JR East Group has been rehabilitating and revitalizing railways. Meanwhile, the business environment has been changing dramatically due to population decline, the practical application of autonomous driving technology, and other factors. To anticipate these trends, the Group must shift from services focused on railways to the creation of value and services focused more on people. With this overriding task in mind and its sights set on changes in the business environment around 2027, JR East has established the “Move UP” 2027 management vision as a guide for the Group’s concerted efforts to advance ambitious new growth strategies.

Basic Policies (1)

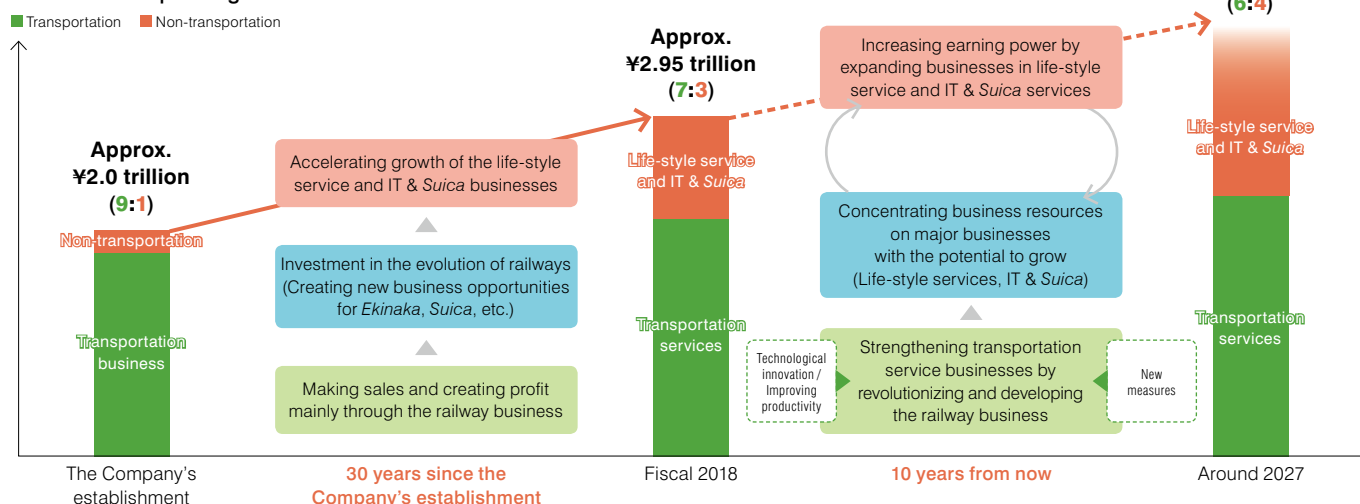
Stories to create values: From the provision of services with railway infrastructure as our basis to the introduction of new values to society, focusing on the affluence of everyone in their daily lives.



Basic Policies (2)

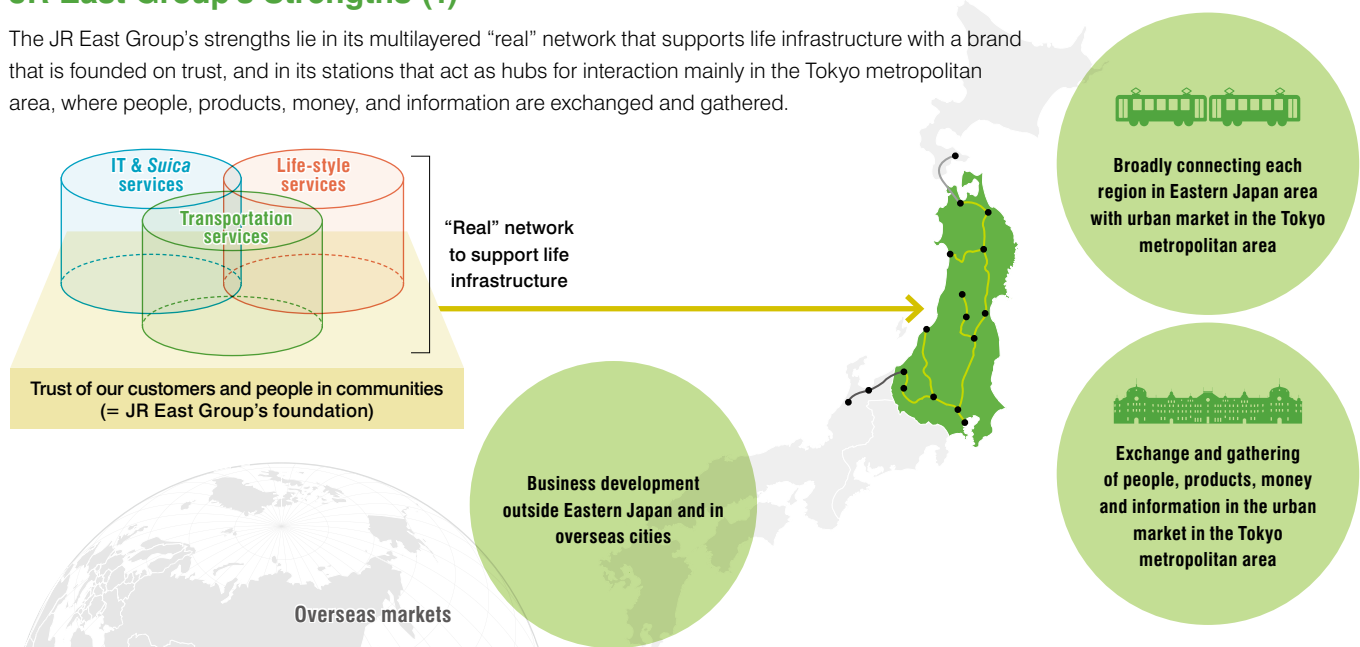
There is an urgent need to qualitatively reform, revolutionize, and develop transportation services mainly by railways. Further allocate management resources to life-style service and IT & Suica businesses, developing them as our new growth engine.

Consolidated operating revenues



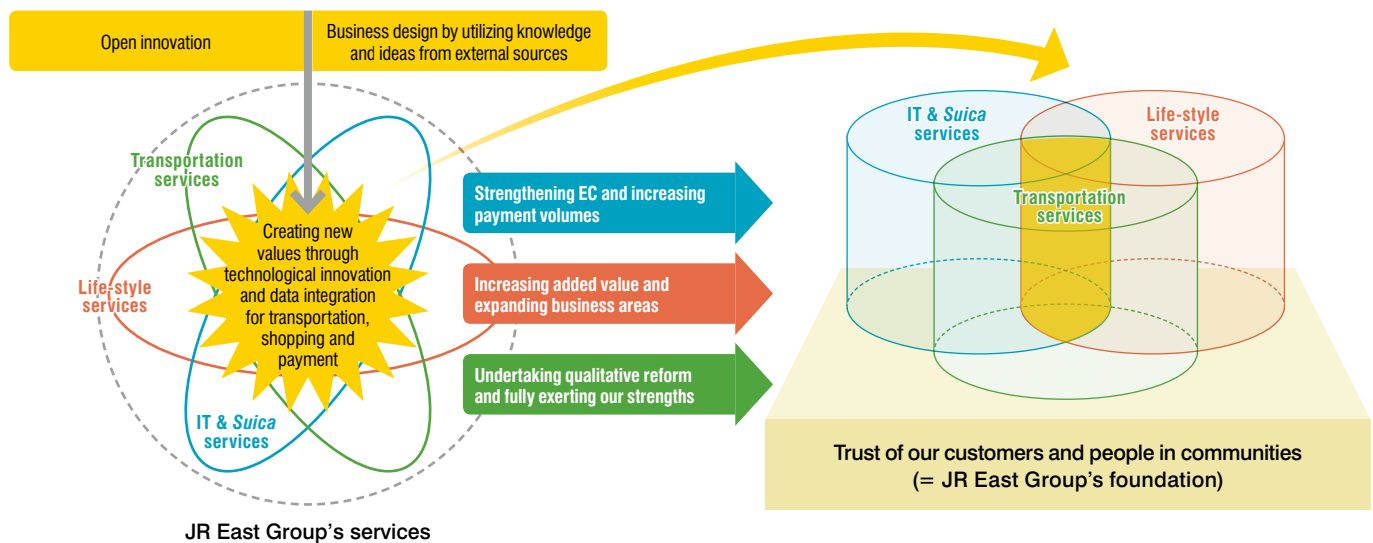
JR East Group's Strengths (1)

The JR East Group's strengths lie in its multilayered "real" network that supports life infrastructure with a brand that is founded on trust, and in its stations that act as hubs for interaction mainly in the Tokyo metropolitan area, where people, products, money, and information are exchanged and gathered.



JR East Group's Strengths (2)

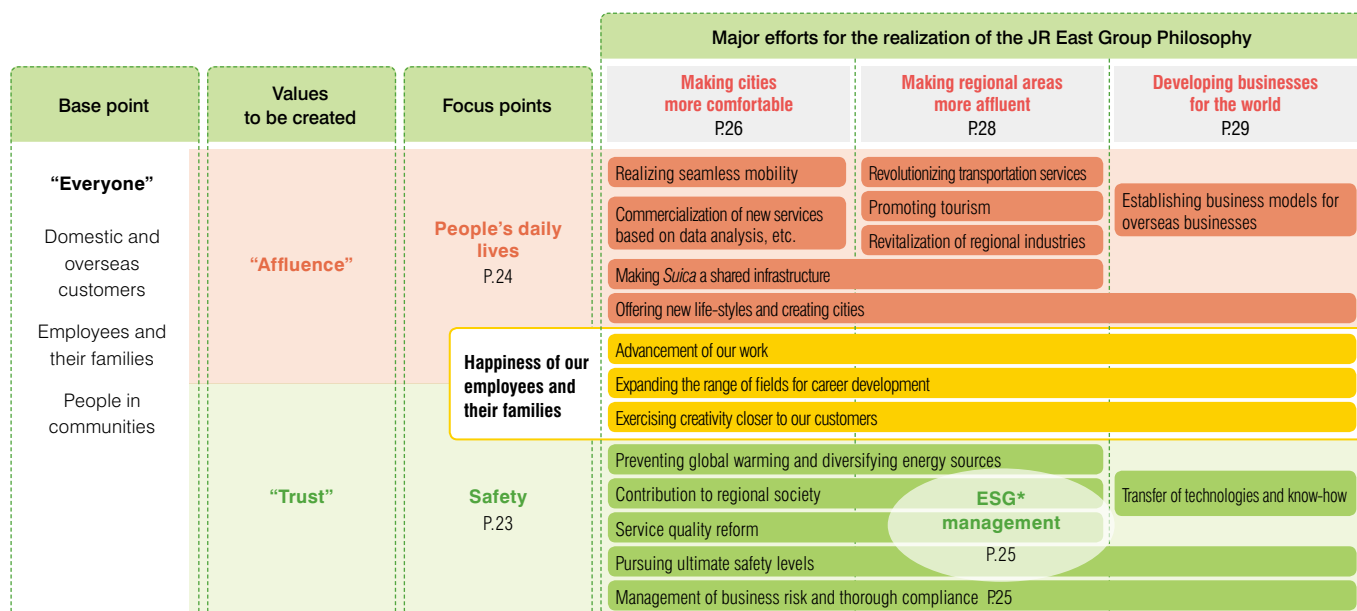
While utilizing the JR East Group's strengths, we will continue to create new values through technological innovation and data integration for transportation, shopping and payment.



JR East Group Management Vision “Move UP” 2027

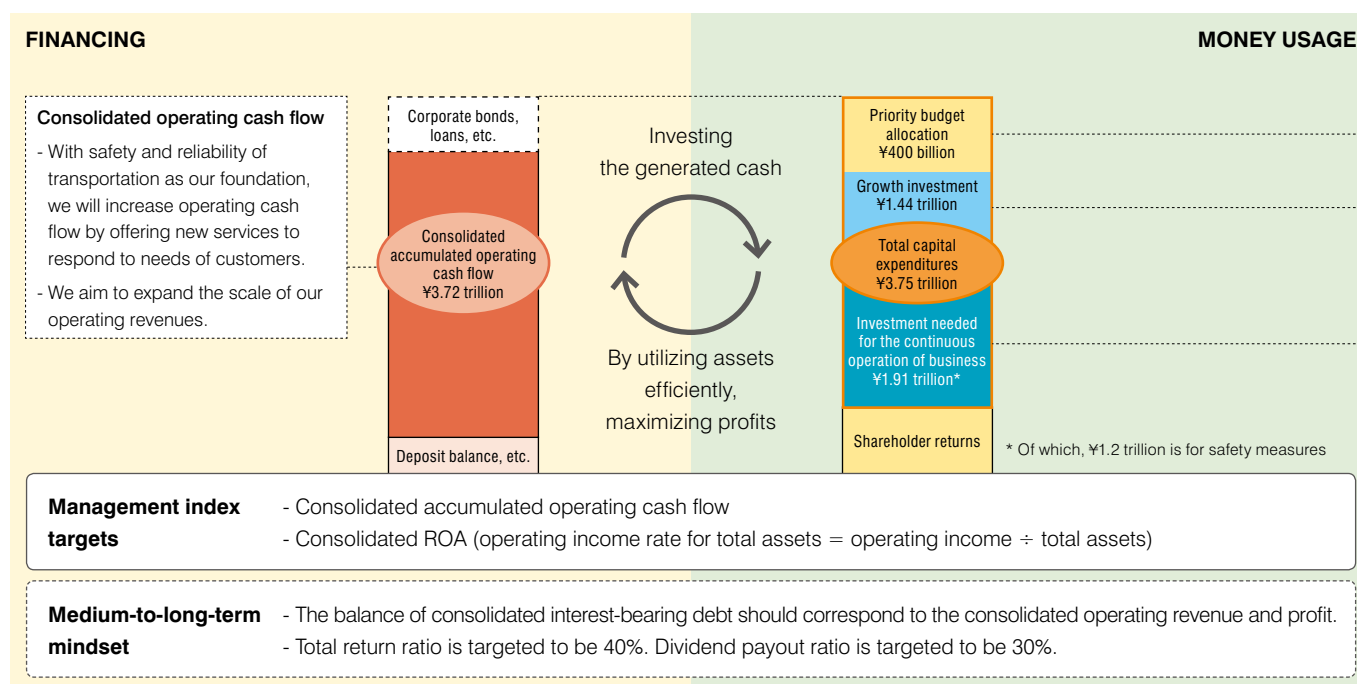
Overview

With people (“everyone”) as our base point, and with “Safety,” “People’s daily lives,” and “Happiness of our employees and their families” as keywords, we will continue to create values of “Trust” and “Affluence” in cities, regional areas, and around the world.



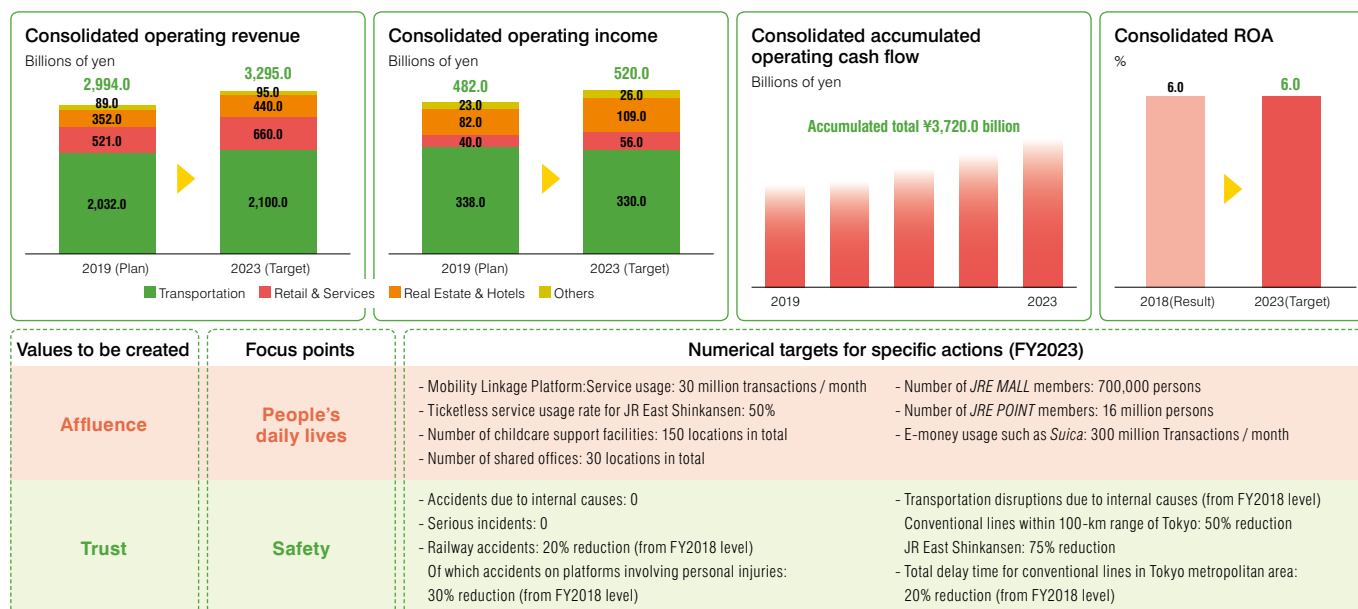
* ESG stands for environment, social and governance, all of which are important elements for the sustainable growth of a company.

Numerical Targets / FY2023 (1)



Numerical Targets / FY2023 (2)

To achieve our reforms in the coming 10 years, we will set numerical targets for the first 5 years (FY2023), i.e. for the first half of the period.



PRIORITY BUDGET ALLOCATION (investment for innovation, etc.)

Promoting investment for technological innovation (5 years)

- Smart maintenance (CBM, etc.)
- Next-generation ticketing system
- Revolution in transportation duties in the Tokyo metropolitan area
- Training simulators for train crews, etc.



Smart maintenance (CBM, etc.)



Next-generation ticketing system

GROWTH INVESTMENT

Based on new criteria for the judgement of investments, we actively invest for future growth.

- Shinagawa development project
- Introduction of Green Cars (upper grade) to Chuo line rapid service, etc.
- Oimachi development project (provisional name)
- Yokohama station west exit development building (provisional name)
- Kawasaki station west exit development project
- Takeshiba waterfront development project etc.



Shinagawa new station (provisional name)



Introduction of Green Cars (upper grade) to Chuo line rapid service, etc.

INVESTMENT NEEDED FOR THE CONTINUOUS OPERATION OF BUSINESS

We flexibly invest at or close to an amount equal to consolidated depreciation expense.

- Countermeasures for large-scale earthquakes
- Installation of automatic platform gates
- Production of rolling stock for conventional lines (Series E235, etc.)
- Production of rolling stock for Shinkansen (Series E5 and E7, etc.)
- Renovation of stations (Shibuya station, etc.)



Countermeasures for large-scale earthquakes



Installation of automatic platform gates

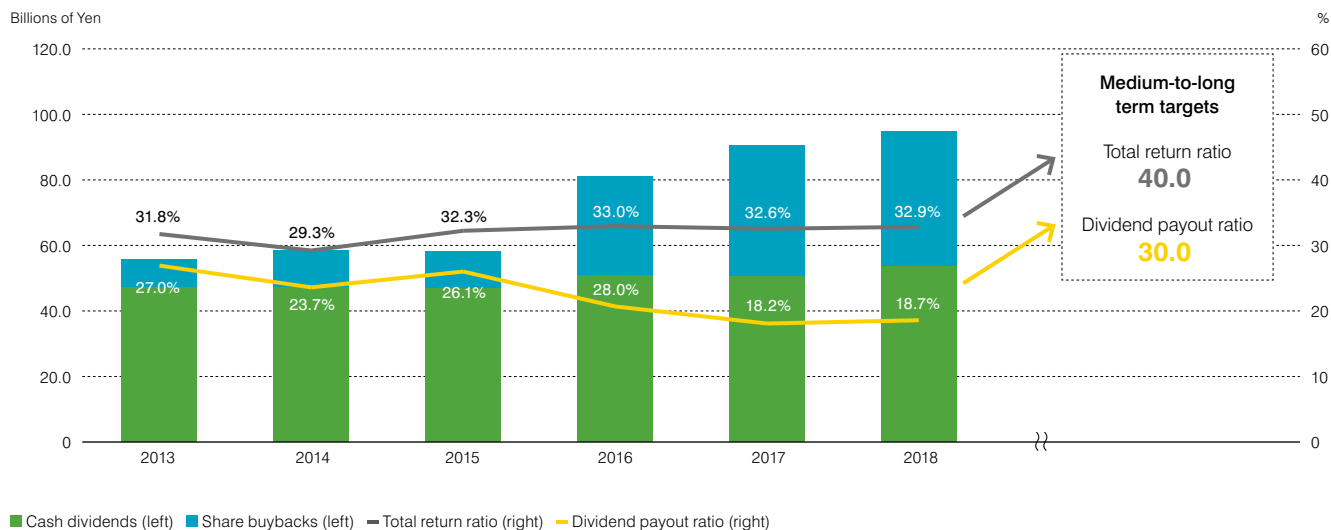
JR East Group Management Vision "Move UP" 2027

Numerical Targets / Shareholder Returns

- In the medium- to-long-term, the total return ratio is targeted to be 40%. The dividend payout ratio is targeted to be 30%.
- We will stably increase a dividend and flexibly buy back our shares consistent with trends in our business results.

Transition of shareholder returns

Billions of Yen



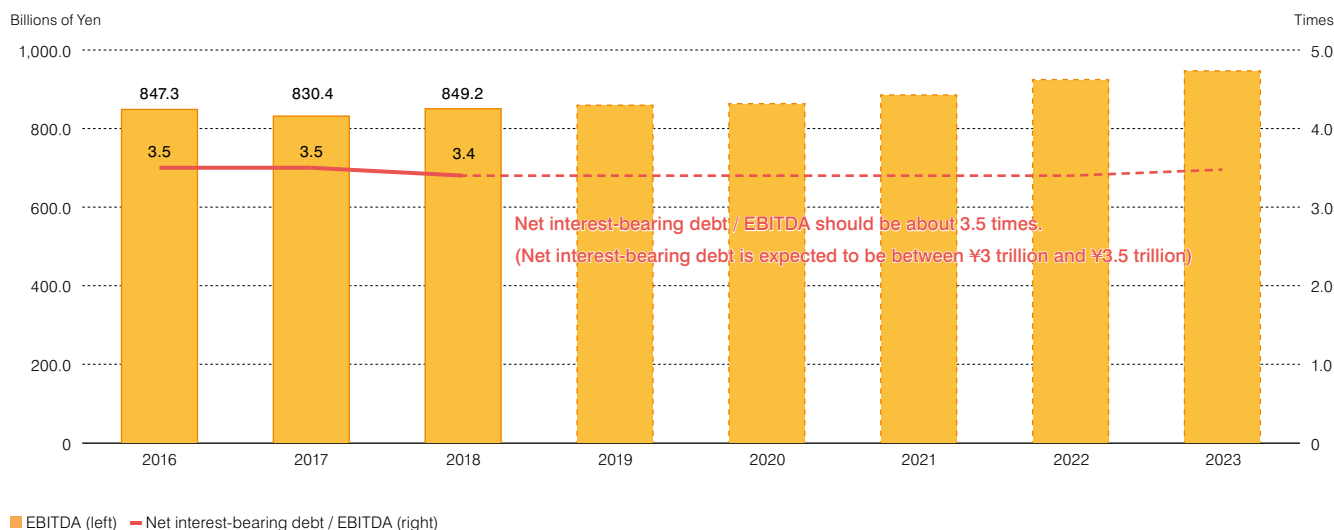
* Total return ratio for FY2018: In the case that the total ¥41 billion of our own shares is acquired.

Numerical Targets / Consolidated Interest-Bearing Debt

- Considering ability to repay debt, the balance of consolidated interest-bearing debt should correspond to the consolidated operating revenue and profit.
- Net interest-bearing debt / EBITDA* should be about 3.5 times.

Forecast of net interest-bearing debt / EBITDA

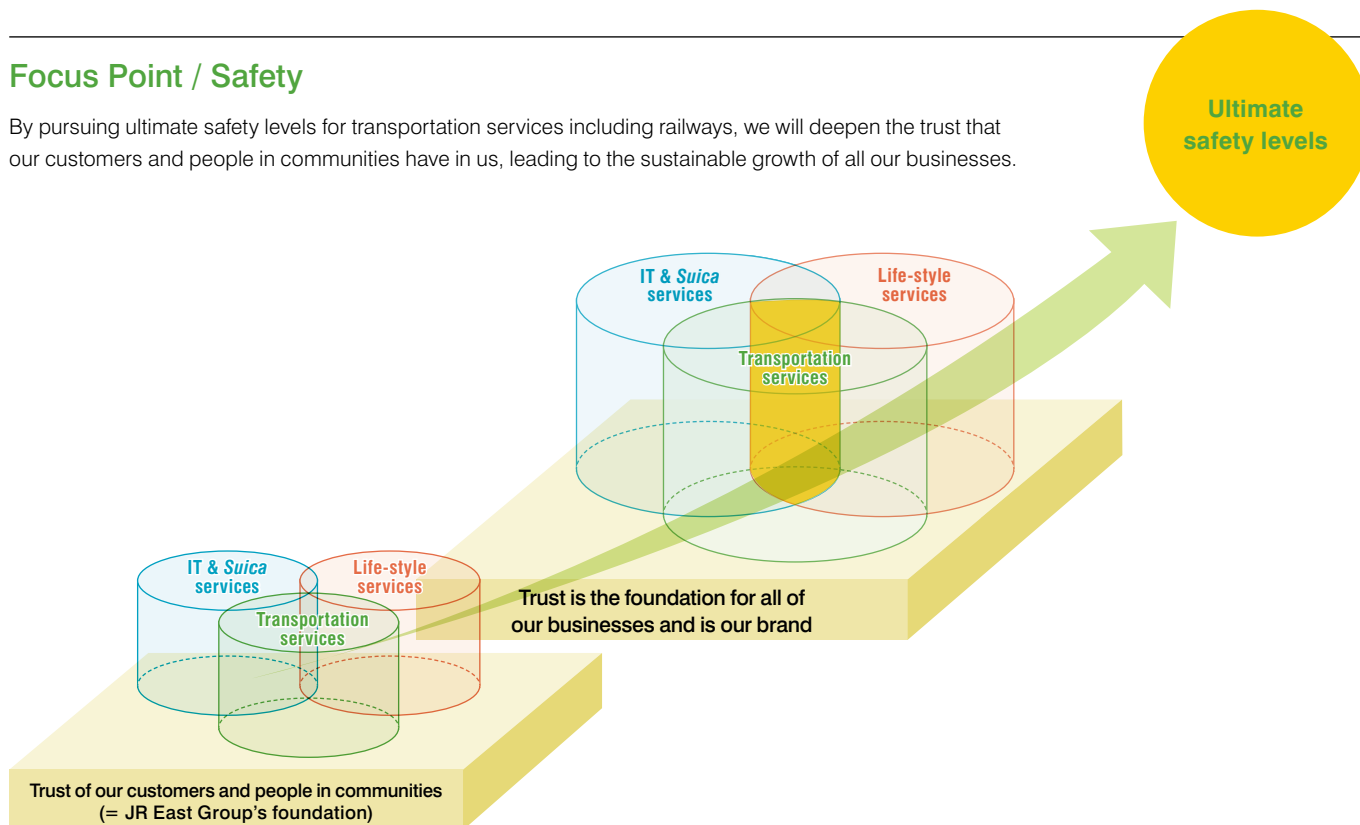
Billions of Yen



* Net interest-bearing debt = Balance of consolidated interest-bearing debt – Balance of consolidated cash and cash equivalents
EBITDA = Consolidated operating income + Consolidated depreciation expense

Focus Point / Safety

By pursuing ultimate safety levels for transportation services including railways, we will deepen the trust that our customers and people in communities have in us, leading to the sustainable growth of all our businesses.



Safety is the top priority of JR East Group's management. This awareness needs to be shared thoroughly with all of our employees. We take concrete measures to further improve our ultimate safety levels through the concerted efforts of all group companies.

Completely eliminating accidents due to internal causes

Tangible measure

- Proper maintenance, management, strategic renewal and strengthening of facilities and rolling stock



Intangible measure

- Strengthening practical safety education and training
- Not only learning from failures, but also recognizing things that go well



- Understanding the true nature of each task, voluntarily and thoroughly searching for potential risks, and promptly responding to them

Realization of safer station platforms and level crossings

Improving safety levels at station platforms

- By the end of FY2033, the introduction of platform doors at all stations (330 stations) for major conventional lines in Tokyo metropolitan area
- Development of high-precision Image Processing Type Fallen Passenger Detecting System



Improving safety levels at level crossings

- Warning road users (drivers) by using the Intelligent Transportation System
- Introduction of highly functional 3D level crossing obstacle detectors
- Installation of crossing gates or alarms to class 4 level crossings



- Properly responding to new risks by actively utilizing new technologies

- Efforts to further advance our safety culture
- Efforts to detect new risks and advance rules and systems
- Training personnel to respond to environmental change

Reducing risk of disasters and terrorist incidents

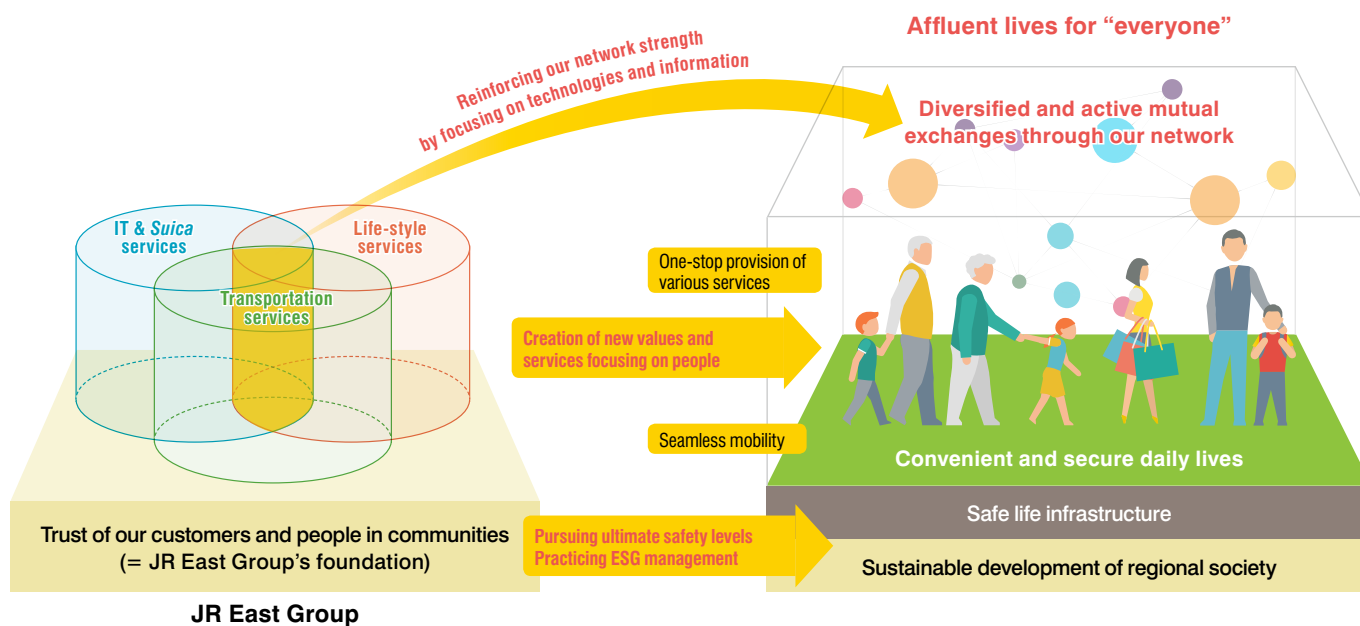
- Accelerating plans for further seismic reinforcement against large-scale earthquakes
- Improving prediction accuracy for abnormal weather and serious disasters (wind gusts, heavy rain, etc.)
- Strengthening security against new threats such as terrorism, etc.



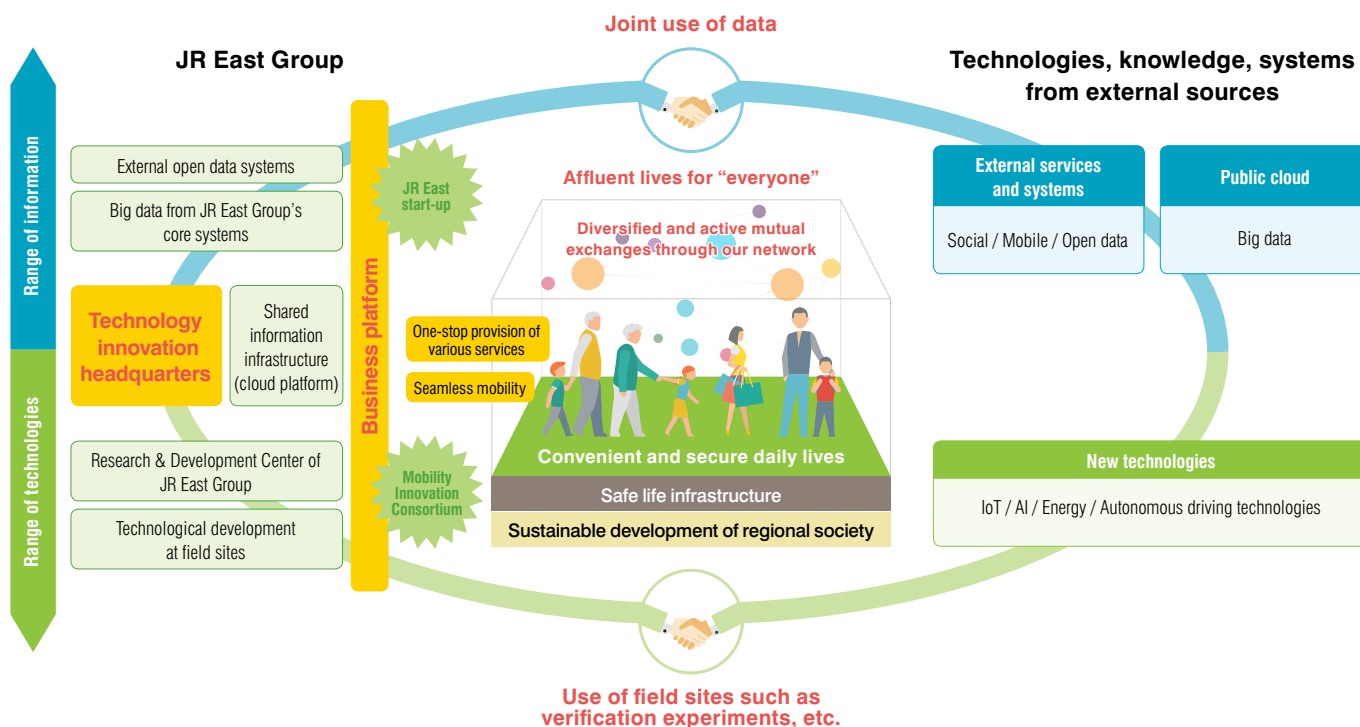
JR East Group Management Vision "Move UP" 2027

Focus Point / People's Daily Lives

By creating new values and services by focusing on people, and by reinforcing our network strength by focusing on technologies and information, we will help all people ("everyone") to achieve affluent lives.

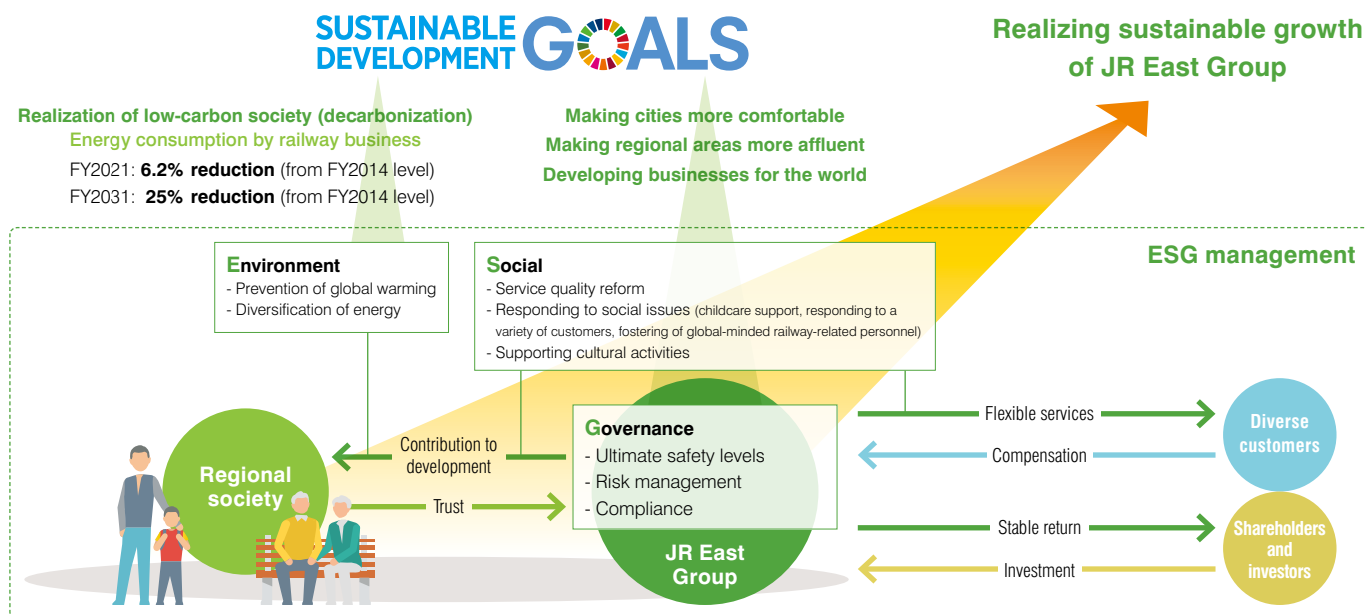


By further expanding the range of coalitions with external networks by joint use of data and use of field sites such as verification experiments, we will realize affluent lives for "everyone".



Major Efforts (1) / Practicing ESG Management

JR East Group will strive to solve social issues through our businesses, contribute to the development of regional society, and deepen the trust that people in communities and customers have in us, leading to the sustainable growth of JR East Group.

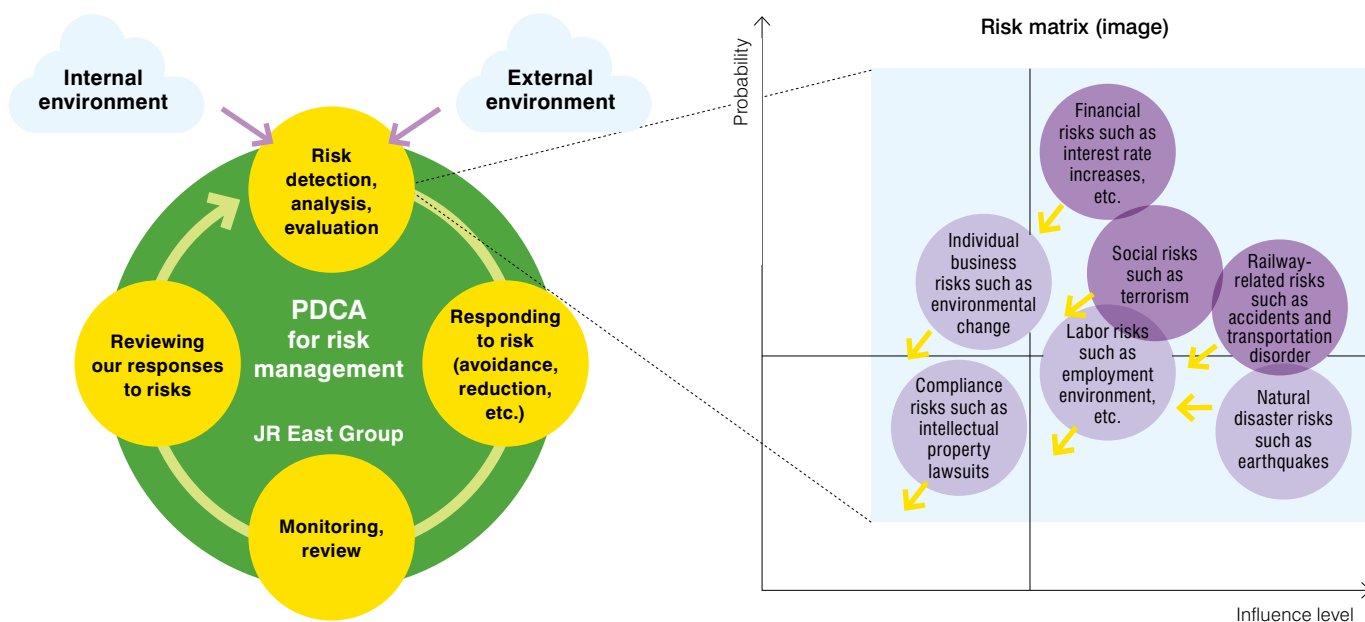


SUSTAINABLE DEVELOPMENT GOALS: 17 Sustainable Development Goals the world agreed upon for 2030

Major Efforts (2) / Risk Management

In responding to changes in the external and internal environment, we continue to detect, analyze and evaluate risk, and to take countermeasures to avoid or reduce risk.

While monitoring and reviewing our responses to risk, we continue to improve our risk reduction measures.



JR East Group Management Vision "Move UP" 2027

Making Cities More Comfortable / Overview

Targets

Customers seamlessly use transportation, shopping and payment services by combining optimal methods in their daily lives.

Policies

- One-stop provision of various services by expanding business platforms
- Realization of seamless mobility through the initiatives of JR East Group

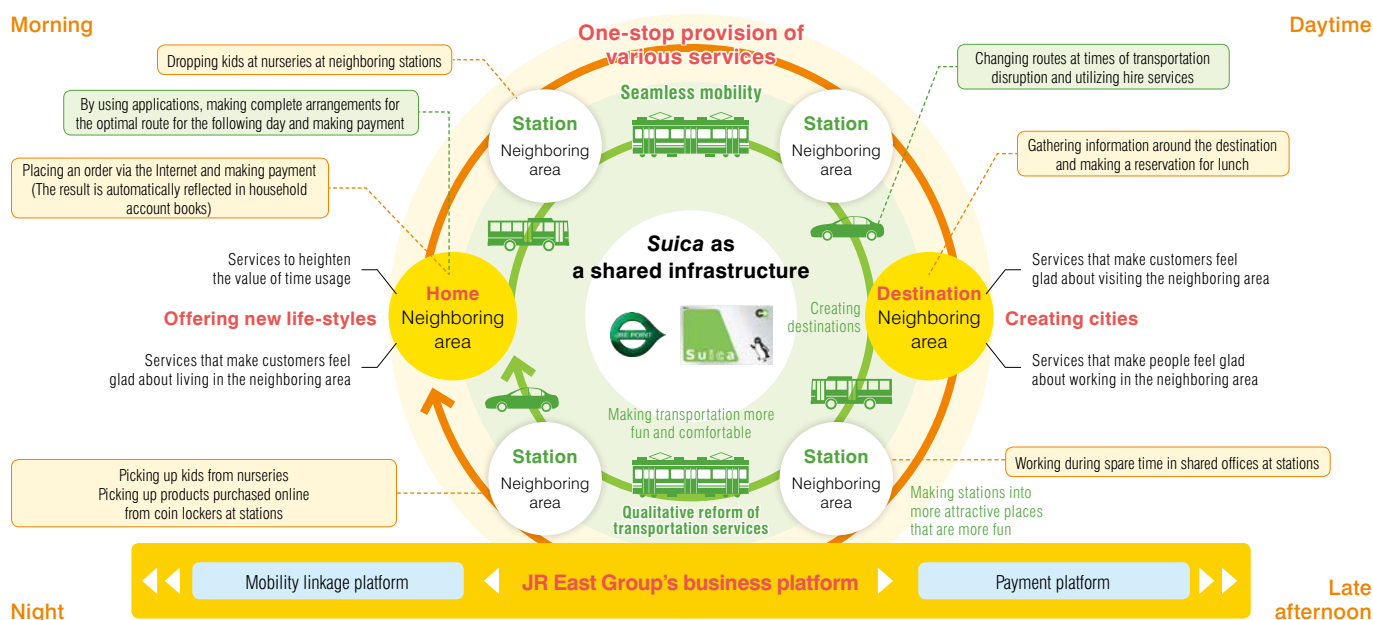
Specific efforts

- Offering multi-faceted services tailored to individual needs via *JRE POINT*
- Reduction in total travel time by mobility linkage platform
- Qualitative reform of transportation services by further improving the safety and reliability of transportation
- Offering new life-styles and creating cities that further enhance convenience and comfort in people's daily lives
- Increasing opportunities to use *Suica* through partnerships with various payment methods



Making Cities More Comfortable / Targets

By delivering seamless transportation and various services as part of our "one-stop" offering, we will provide an environment where customers can choose the optimal transportation, purchasing and payment services for their daily lives 24 hours a day.



Topics / Promotion of Haneda Airport Access Line Concept

Major effects

- Realization of seamless mobility by offering direct access from multiple directions (reduction in travel time and elimination of transfers)
- Responding to a further increase in transportation needs (between each section of the Tokyo metropolitan area and the airport) by reinforcing transportation capacity (by approx. 1.8 times the current level) and increasing redundancy to offer multiple options

Between Shinjuku and Haneda Airport	Time required	Number of transfers
Via Tokyo Monorail	Approx. 48 min.	1 (Hamamatsu-cho)
Via Keikyu	Approx. 43 min.	1 (Shinagawa)

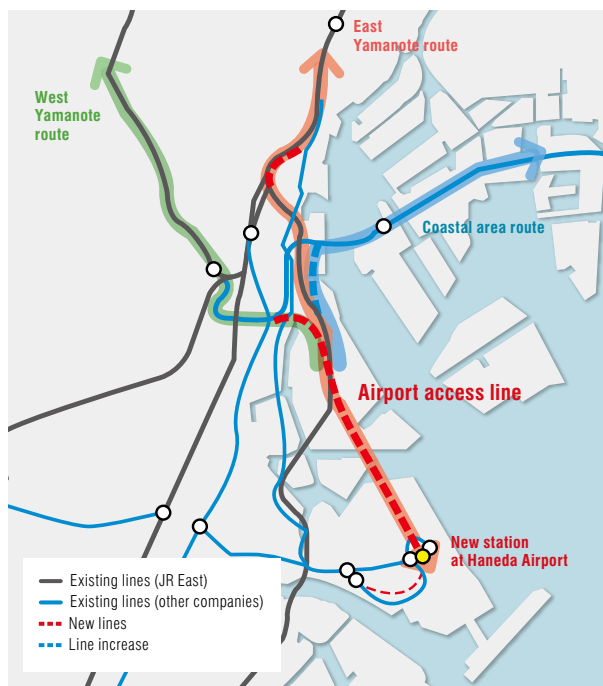
West Yamanote route	Time required	Number of transfers
	Approx. 23 min.	N/A

Between Tokyo and Haneda Airport	Time required	Number of transfers
Via Tokyo Monorail	Approx. 28 min.	1 (Hamamatsu-cho)
Via Keikyu	Approx. 33 min.	1 (Shinagawa)

East Yamanote route	Time required	Number of transfers
	Approx. 18 min.	N/A

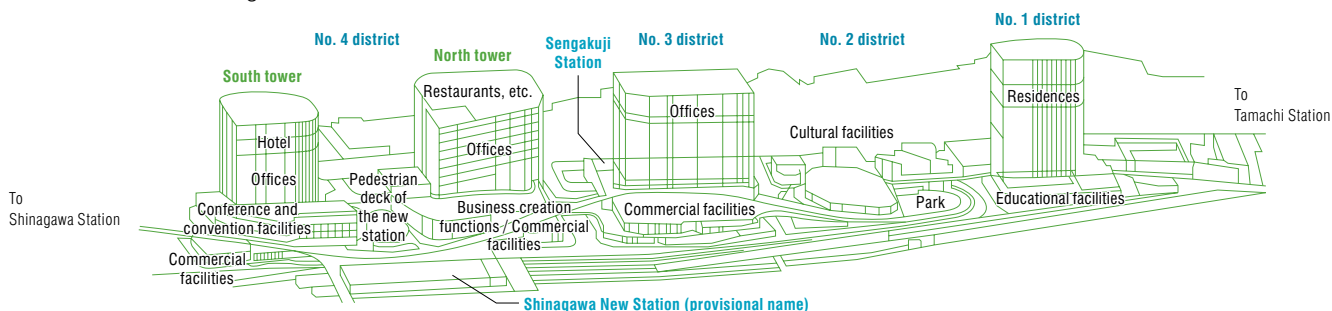
Between Shin-Kiba and Haneda Airport	Time required	Number of transfers
Via Tokyo Monorail	Approx. 41 min.	1 (Tennozu Isle)

Coastal area route	Time required	Number of transfers
	Approx. 20 min.	N/A



Topics / Global Gateway Shinagawa

Creating a new international hub where leading-edge companies and people from around the world come together, and new businesses and cultures are created through diverse interaction.



Urban development of global standards

The latest urban infrastructures, functions, and environments attracting attention from the world



Showcasing JR East's new challenges

Utilizing JR East's resources and making various proposals to cope with social change



JR East Group Management Vision "Move UP" 2027

Making Regional Areas More Affluent / Overview

Targets

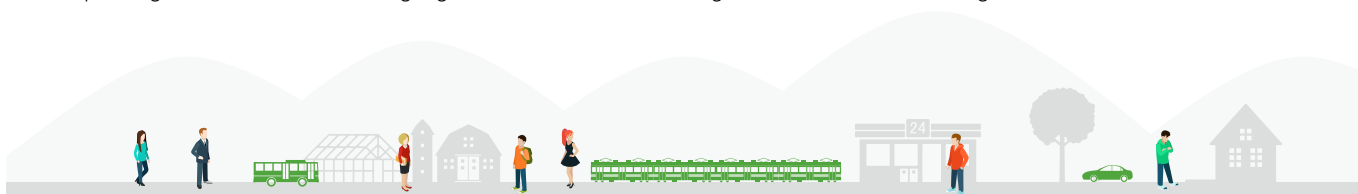
With a sustainable social foundation, we aim to offer services for affluent living for all people through active interaction.

Policies

- Making *Suica* a shared infrastructure in compact cities
- Transformation to more convenient and sustainable transportation services
- Promoting regional revitalization in the way that only JR East Group can

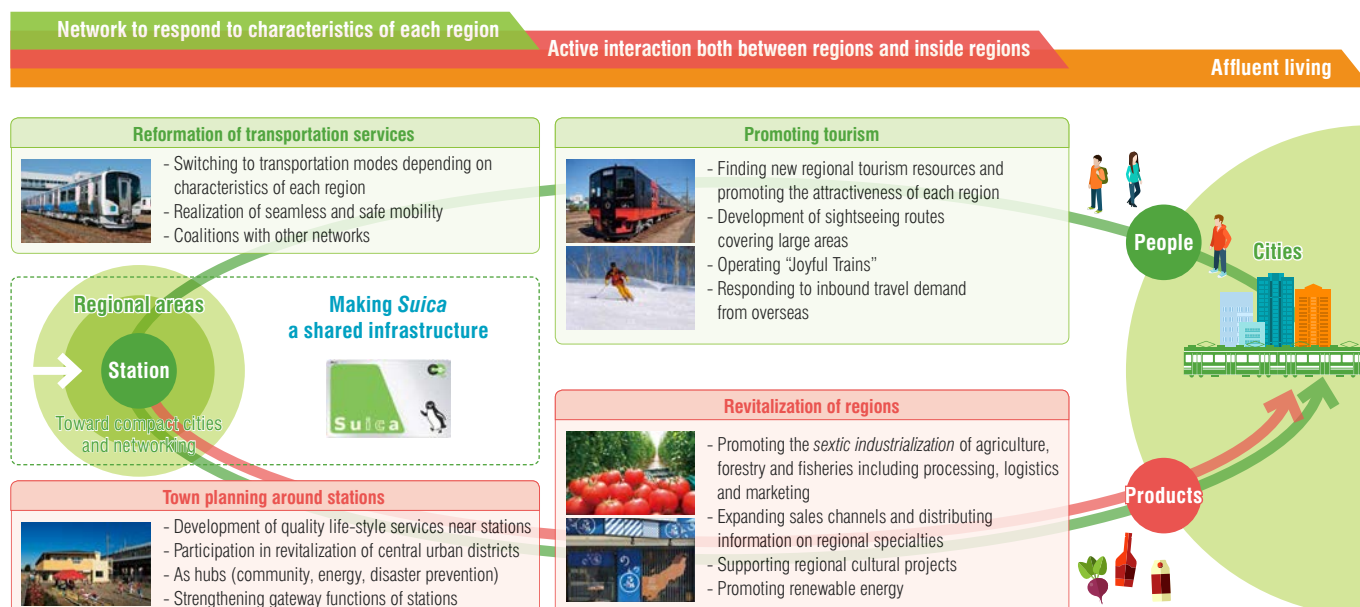
Specific efforts

- Promoting regional societies with well-established compatibility between *Suica* and various regional services
- Establishing safe and seamless regional transportation networks to respond to the characteristics of each region
- Urban development around regional core stations in coalition with regional municipalities, etc.
- Revitalizing the regional economy by expanding sales channels in the Tokyo metropolitan area and by developing industry by using the *sextic industrialization* approach that integrates primary, secondary and tertiary sectors including processing, logistics and marketing
- Expanding tourism interaction among regions and also inside each region in coalition with each region



Making Regional Areas More Affluent / Targets

By promoting tourism, revitalizing communities, reforming transportation services, and undertaking town planning projects, we will achieve compact cities and networking.



Developing Businesses for the World / Overview

Targets

By establishing business models for overseas businesses, we aim to help create more affluent lifestyles mainly in Asia.

Policies

- Development of personnel and improvement of technological capabilities through overseas projects
- Establishing business models for overseas businesses through the concerted efforts of JR East Group
- Long-term, sustainable overseas business management

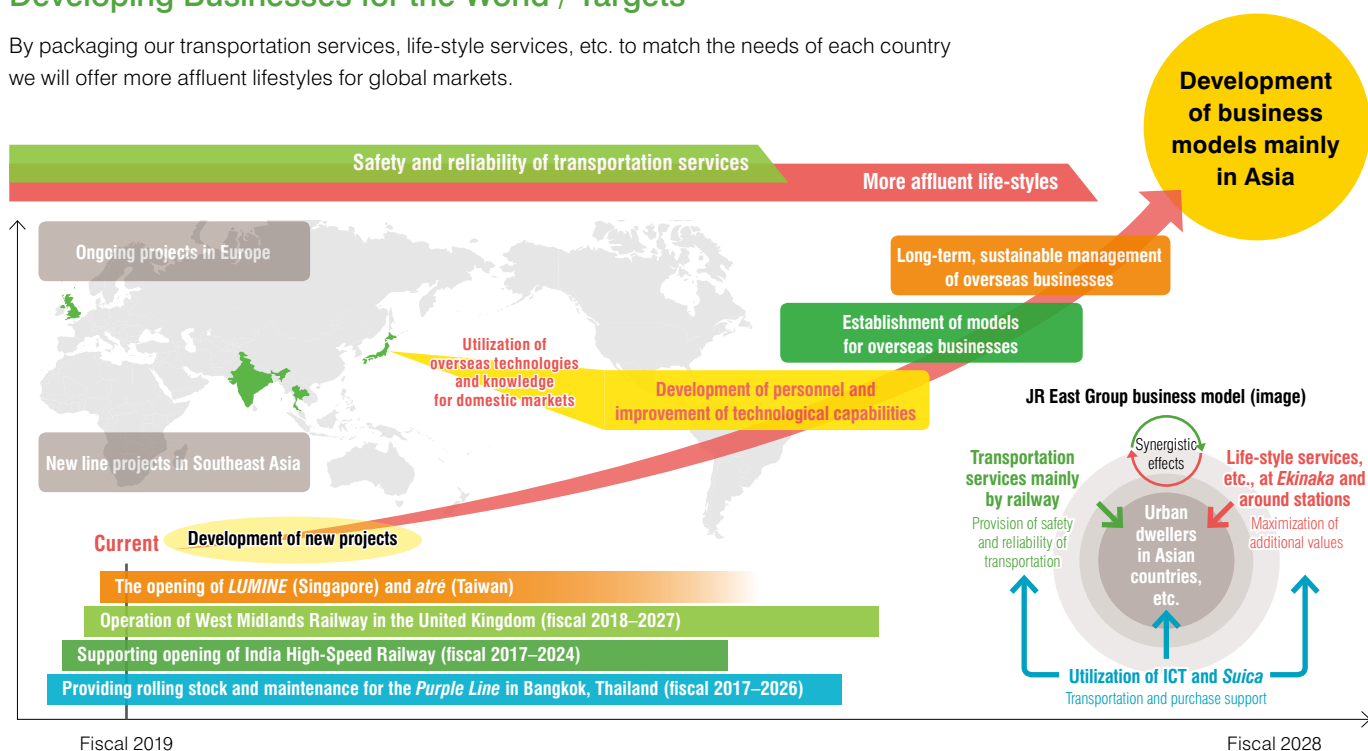
Specific efforts

- Developing personnel through overseas projects and utilizing acquired overseas technologies and knowledge for domestic markets
- Creating more affluent life-styles by utilizing the comprehensive capabilities of JR East Group
- Controlling the risk of each project and generating profit over the long-term



Developing Businesses for the World / Targets

By packaging our transportation services, life-style services, etc. to match the needs of each country we will offer more affluent lifestyles for global markets.

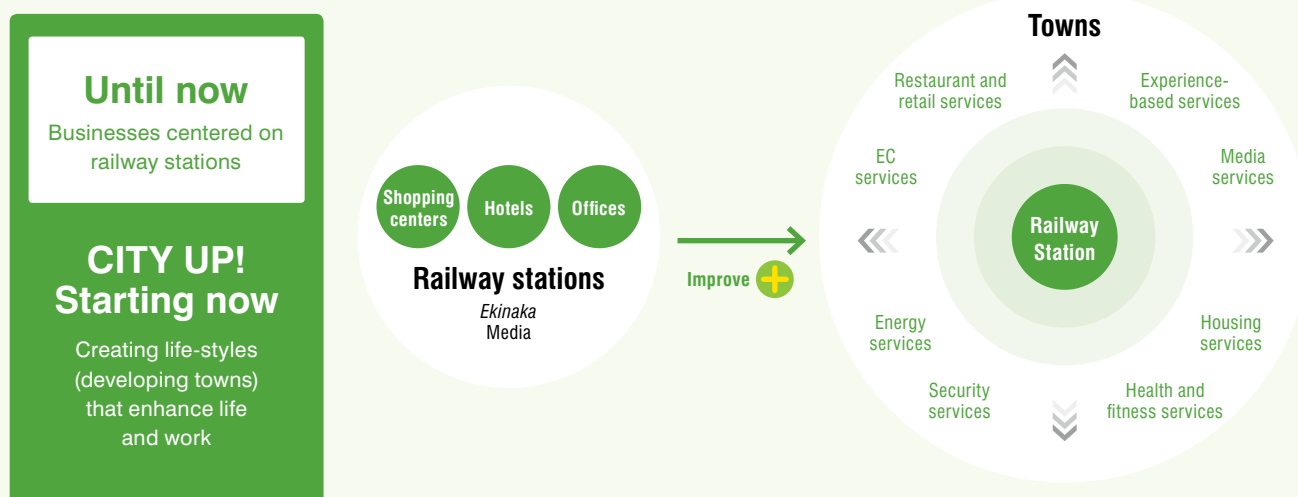


Life-Style Service Business Growth Vision (NEXT10)

To continue growing in tough business conditions, the JR East Group will improve established businesses while taking on new challenges based on four pillars: *NOBIRU* (grow), *HIRAKU* (pioneer), *TSUNAGU* (connect), and *MIGAKU* (improve).

In addition to giving to each station more individual character and creating more appealing towns, we will also work to reform existing businesses and create new ones.

TARGET

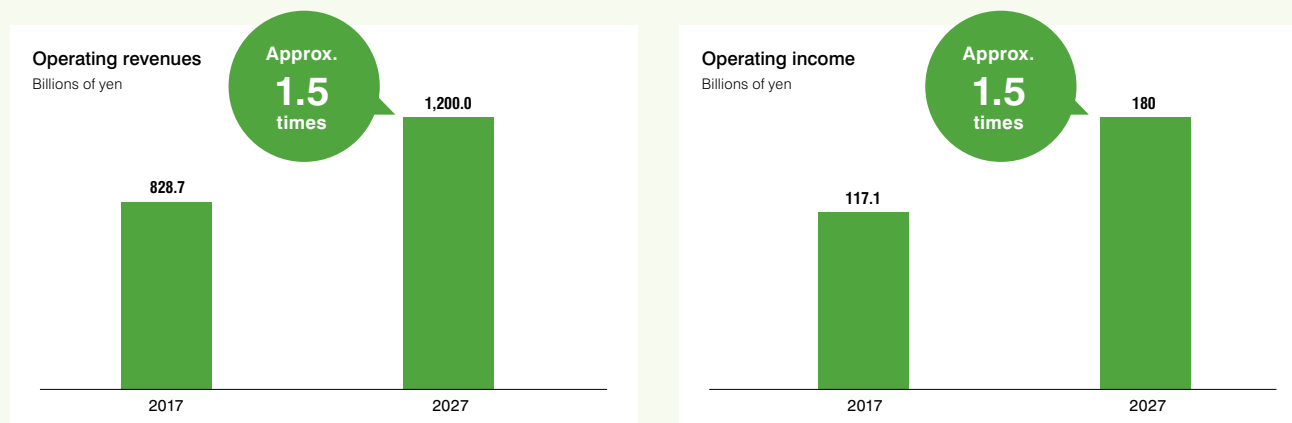


FOUR PILLARS

NOBIRU (Grow)	HIRAKU (Pioneer)	TSUNAGU (Connect)	MIGAKU (Improve)
<ul style="list-style-type: none"> - Create businesses - Open innovation - Expand business areas 	<ul style="list-style-type: none"> - Develop appealing towns centered on railway stations 	<ul style="list-style-type: none"> - Revitalize regions - Encourage inter-regional exchanges 	<ul style="list-style-type: none"> - Upgrade established businesses

NUMERICAL TARGETS

As numerical targets for its Life-style service businesses,* the JR East Group aims to increase consolidated operating revenues and operating income by approximately 1.5 times by fiscal 2027, compared to results in fiscal 2017.



* Figures for operating revenues and operating income combine revenues and income from the Retail & Services segment and the Real Estate & Hotels segment.

NOBIRU (Grow)

Under this strategy, our business focus will be expanding from *Ekinaka* commercial space inside stations into *machinaka* areas in towns. We plan to move into areas outside JR East's railway service area, even beyond Japan all the way to foreign shores. Advanced IT solutions can result in better services, and we have plans for tapping into outside expertise to create new lines of businesses.



HOTEL METS Sapporo (provisional name)



Improving the e-commerce business

HIRAKU (Pioneer)

In addition to developing big terminals, primarily in the Tokyo metropolitan area, we also plan to engage in neighborhood development along JR East rail lines. This plan will further expand our business presence in the larger community. The JR East group intends to pursue development—including housing projects—with the idea of "Life-style creation" in mind, thus adding to the value of towns.



Development of area in and around the north passage of Tokyo Station



Development of Yokohama Station West Exit Building (provisional name)

TSUNAGU (Connect)

The JR East Group will not only work together with government agencies and local enterprises to facilitate inter-regional interaction by pursuing town development efforts in core regional cities; we will also make use of the Shinkansen and other rail networks to energize local communities.



Development of area around Akita Station (Northern Gate Akita)



Establishment of Tsuchiura Station Cycling Center

MIGAKU (Improve)

The JR East Group will heighten the value of established businesses by upgrading services centered on railway stations. We are targeting 1% annual revenue growth at existing stores (businesses).



Measures for visiting to Japan



More events designed for visitors from overseas